



CONNECTICUT PHARMACISTS ASSOCIATION

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Statement Before
The Insurance and Real Estate Committee
Tuesday
February 3, 2009

Re: SB 6: An Act Concerning Prescription Drug Copayments

Good Afternoon Rep. Fontana and Sen. Crisco. My name is Margherita Giuliano. I am a pharmacist and the Executive Vice President of the Connecticut Pharmacists Association. The Connecticut Pharmacists Association is a professional organization representing 1000 pharmacists in the state of Connecticut. I am here today to speak in strong support of SB 6: **AAC Prescription Drug Copayments**

We have testified before this committee for the last several years regarding some of the practices of the large Pharmacy Benefit Managers. The mail order component and the differential copay structure has been a critical issue for our members. I am pleased that the committee is looking at this.

I would like to take a brief moment to provide some background on this issue. The differential copays are certainly of concern. However, leveling the playing field with regard to copays would only resolve some of the issues.

The pharmacy benefits that include a mail order option, more often than not, do not allow retail pharmacies to fill a 90-day supply of medications. If they do allow the pharmacies to fill the 90-day supply, it comes with the differential copay - so there is an incentive for the consumer to mail away. If patients were allowed to get the 90-day supply locally for the same copay I believe consumers would choose their local pharmacy.

The broader issue is the fact that allowing pharmacy benefit managers (PBMs) to be both the manager of the drug benefit and the provider of the drug benefit - and to compete directly against the community pharmacies that are part of their own network is clearly a conflict of interest. It is even of greater concern since the PBM unilaterally determines the reimbursement of the drugs to the pharmacies.

I have included with my testimony a recent memo sent out to some consumers that are covered by CVS/Caremark. This is a proven example of what I have just described - and it goes even further. Basically what this says is that if you take a maintenance or long-term medication you can now get a 90-day supply at CVS pharmacies or through the mail - for the same mail order co-pay. You will note on the table that is included in this packet - a 90-day supply is not available at other pharmacies in the network. As a matter of fact, you will have to get your prescriptions for long-term medications only at CVS pharmacies or mail order



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after 2 fills. My question to the committee is – *Is this a violation of the Unfair Trade Practices Act? I would encourage our attorney general look into this?*

Some will state that mail order saves money for the patient. Certainly with the lower copays this is true. However, does it save money for the payer? This has been disputed over the years and actually there was an article in yesterday's Boston Globe debating this issue. We believe if proper audits were conducted evidence of the increased cost through mail order could be validated.

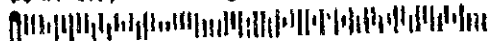
From an economic standpoint – the more prescriptions that are taken out of the retail pharmacies, the more pharmacy closings you will have. One has to wonder if the \$4 prescriptions and free antibiotics are a way to re-build lost volume to mail order. Patients are solicited to move to mail order without the local pharmacy ever knowing. Eventually you wonder where Mrs. Smith has gone. In the case of CVS/Caremark – your own competitor now has access to your patient database and can steer them to mail order. In this difficult economic time, if we close businesses we put people out of work.

Mail order might serve a purpose, but it is not the best health care. The practice of pharmacy is more than just getting the right drug to the right patient. It is about ensuring that the patient understands why they are taking the medication and what possible side effects they might encounter. With a state filled with a diverse population, the best way to accomplish this is through face-to-face encounters. I think the greatest testimony to this fact comes from CVS/Caremark themselves. By allowing patients the choice to have their medications filled locally or by mail for the same co-pay speaks volumes. We only ask that the same policy be extended to all the pharmacies in their network.



Important Changes to Your Prescription Benefits

December 17, 2008



Dear **[REDACTED]**,

We are pleased to inform you about an important change to your prescription benefit plan. Starting **January 1, 2009**, you will receive significant savings by getting your long-term medications in a 90-day supply at either a CVS/pharmacy retail store or through CVS Caremark Mail Service Pharmacy.

Your prescription benefit plan will allow ~~two~~ 30-day fills at a network retail pharmacy. After these two fills you will need 90-day supply prescriptions filled by a local CVS/pharmacy or by CVS Caremark Mail Service. If you fill your long-term prescriptions at another retail pharmacy after two fills, you will pay a higher copay*.

Choose what is more convenient for you. The copay is the same either way.

At a CVS/pharmacy You May:	With CVS Caremark Mail Service You May:
<ul style="list-style-type: none">• Pick-up your long-term medication directly from the pharmacy at a time that is convenient for you	<ul style="list-style-type: none">• Enjoy convenient home delivery
<ul style="list-style-type: none">• Enjoy same-day prescription availability	<ul style="list-style-type: none">• Receive medication in confidential, tamper-resistant and (when necessary) temperature-controlled packaging
<ul style="list-style-type: none">• Talk face-to-face with a pharmacist	<ul style="list-style-type: none">• Talk to a pharmacist by phone

If you currently receive your long-term medications from CVS/pharmacy or CVS Caremark Mail Service and wish to continue -- no action is required. We will contact your doctor and notify you if you are not already on a 90-day prescription.

If you wish to change how you receive your long-term medications either by switching to CVS/pharmacy or CVS Caremark Mail Service, we'll take care of it for you. We will contact you after your last allowable fill before the copay goes up and contact your doctor to get a 90-day prescription to have filled based on your choice of pharmacy.

Visit www.caremark.com to:

- Learn more about your prescription benefit plan
- Investigate other cost savings opportunities
- Access medication and health information

If you have questions, please call Customer Care toll-free at 1-800-652-5798. We are ready to provide new cost-saving options and make filling long-term medications convenient for you.

Sincerely,

CVS Caremark

Your Personal Prescription Benefit Guide

	Network Retail Pharmacy	CVS/pharmacy	Mail Service Pharmacy
	For immediate and long-term** medication needs	For immediate and long-term medication needs	For long-term medication needs
Up to a 30-day supply:	Generic: \$10 Preferred brand: \$25 Non-preferred brand: \$40	Generic: \$10 Preferred brand: \$25 Non-preferred brand: \$40	Up to a 90-day supply
Fill limit:	2 for long-term medications	2 for long-term medications	
Copay after limit:	Generic: \$25 Preferred brand: \$50 Non-preferred brand: \$80	Generic: \$25 Preferred brand: \$50 Non-preferred brand: \$80	Generic: \$20 Preferred brand: \$30 Non-preferred brand: \$80
90-day supply	Not Available	Generic: \$20 Preferred brand: \$50 Non-preferred brand: \$80	

**A long-term medication is taken regularly for chronic conditions or long-term therapy. A few examples include medications for managing high blood pressure, asthma, diabetes or high cholesterol.

Have More Questions? Contact CVS Caremark:

1. **Customer Care**
Call toll-free 1-800-652-6796 to speak to a Customer Care representative 24 hours a day, seven days a week.
2. **Caremark.com**
Caremark.com is a hassle free, round-the-clock way to learn more about your prescription benefit plan, locate a network pharmacy and investigate other cost savings opportunities.

*Copayment, copay or coinsurance means the amount a plan participant is required to pay for a prescription in accordance with a Plan, which may be a deductible, a percentage of the prescription price, a fixed amount or other charge, with the balance, if any, paid by a Plan.
Your privacy is important to us. Our employees are trained regarding the appropriate way to handle your private health information.
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